GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1478
ANSWERED ON:16.07.2004
FRAUDULENT FOREIGN TRADE
Kamat Shri Gurudas

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether huge illegal foreign funds continue to flow into India through fraudulent foreign trade;

(b) if so, the details thereof;

(c) whether these funds are being utilised for terrorist activities;

(d) if so, the details thereof; and

(e) the steps taken to check the illegal flow of funds?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a): No information is available on the flow of huge illegal foreign funds into India through fraudulent foreign trade.

(b) to (d) : Does not apply in view of answer to (a) above.

(e): Whenever illegal foreign funds through Hawala are detected, these are investigated under the provision of the Foreign Exchange Management Act (FEMA), 1999 for suitable action as provided under the Act.